



## Trustees' Annual Report for the period

From	Period start date			To	Period end date		
	01	01	2018		31	12	2018

### Section A Reference and administration details

Charity name

Bramhall Baptist Church

Other names charity is known by

Registered charity number (if any) 1133038

Charity's principal address

Bramhall Baptist Church

Woodford Road, Bramhall,

Stockport, Cheshire

Postcode

SK71PB

#### Names of the charity trustees who manage the charity

	Trustee name	Office (if any)	Dates acted if not for whole year	Name of person (or body) entitled to appoint trustee (if any)
1	Phil Dixon	Minister		
2	Tom Townson	Treasurer		
3	James Lasseter			
4	Steve Burr			
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				

#### Names of the trustees for the charity, if any, (for example, any custodian trustees)

Name	Dates acted if not for whole year

**Names and addresses of advisers (Optional information)**

Type of adviser	Name	Address

**Name of chief executive or names of senior staff members (Optional information)**

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## Section B Structure, governance and management

**Description of the charity's trusts**

Type of governing document (eg. trust deed, constitution)	Constitution
How the charity is constituted (eg. trust, association, company)	Charitable Unincorporated Association
Trustee selection methods (eg. appointed by, elected by)	The minister (appointed by the church members' meeting) Other trustees elected by the church members

**Additional governance issues (Optional information)**

You **may choose** to include additional information, where relevant, about:

- policies and procedures adopted for the induction and training of trustees;
- the charity's organisational structure and any wider network with which the charity works;
- relationship with any related parties;
- trustees' consideration of major risks and the system and procedures to manage them.

The church is affiliated to the Baptist Union of Great Britain and the North West Baptist Association. The church has adopted the Baptist Union's policy for safeguarding children. Baptist Union safeguarding training has been given to the Trustees and all involved in children's work.

## Section C Objectives and activities

**Summary of the objects of the charity set out in its governing document**

To advance the Christian faith for the benefit of the public in accordance with the principles of the Baptist Denomination and the statement of purpose below: STATEMENT OF PURPOSE As a company of believers in the Lord Jesus Christ we have been called and drawn together in fellowship. It is our aim through Worship, Praise, Communion, Prayer and Bible Study to strengthen and encourage one another, to bear witness to the good news about Jesus Christ, to support those who serve Him at home and abroad and to lovingly care for our neighbours

**Summary of the main activities undertaken for the public benefit in relation to these objects (include within this section the statutory declaration that trustees have had regard to the guidance issued by the Charity Commission on public benefit)**

Two worship services are held most Sundays, with activities for all ages.

Young people's clubs (open to all), with games crafts and outings, are held on two evenings per week in term-time in the church building. A group for young children and parents, with games and a meal, is held fortnightly in a local school.

A parent and toddler group meets in the church weekly in term-time.

"Teabreak", a club for senior citizens meet alternate Wednesday afternoons, with talks, refreshments, and regular outings. Those without transport are brought to the meetings. The church is part of Churches Together in Bramhall & Woodford and regularly, with others in Bramhall, organise "Holiday at Home" activities for the elderly during one week in August.

Book groups are run and open to those from church as well as others who don't regularly attend church. Regular walks are organised on Saturdays as an opportunity to socialise. Fund-raising events such as concerts and craft sales attracted a wide range of people.

The charity trustees have complied with their duty to have due regard to the guidance on public benefit published by the commission in exercising their powers or duties.

**Additional details of objectives and activities (Optional information)**

You **may choose** to include further statements, where relevant, about:

- policy on grantmaking;
- policy programme related investment;
- contribution made by volunteers.

The church relies on those who attend to volunteer to ensure the activities that are organised are able to take place.

There are two paid workers:- Phil Dixon, who is the full time minister and Amanda Lamb who is the youth leader.

## Section D

## Achievements and performance

## Section D

## Achievements and performance

### Summary of the main achievements of the charity during the year

Amanda Lamb is our part time (18.5 hrs) youth and children's worker. Amanda is working with us with a view to developing our work with youth and children. Apart from the usual activities, Amanda took a group of young people away on a number of youth activities (Big Christian Day Out, Quinta (NWBA), Soul Survivor)

The church has continued to run a number of ministries within our community. The fortnightly club for older people, "Tea Break", regularly draws 30-40 people together for trips out, musical concerts, quizzes and speakers covering a variety of subjects from bird watching to the work of Rowley Projects in Kenya.

On alternate Wednesdays we lead a Family club on a local estate for up to 30 children and adults. The club consists of games, crafts, bible stories, quizzes and a hot meal provided with support from other local churches and businesses. This club is run in a local school.

Additionally the church hosts a toddler group during term time. This is well supported by between 20-30 carers and their children and is run by volunteers from the church. We also ran one off specials for that included a Bonfire Party.

All of this happens alongside the regular weekly worship of the church, the house groups and times for prayer and being together around a shared meal.

## Section E Financial review

### Brief statement of the charity's policy on reserves

The church maintains minimum reserves, with a view that the monies given are given in order to pursue the aims of the church. The church treasurer aims to maintain a reserve of around £15000.

### Details of any funds materially in deficit

### Further financial review details (Optional information)

You **may choose** to include additional information, where relevant about:

- the charity's principal sources of funds (including any fundraising);
- how expenditure has supported the key objectives of the charity;
- investment policy and objectives including any ethical investment policy adopted.

Most funding is by way of personal giving by the church attendees. Much of this is then gift aided. There will occasionally be requests to pledge or donate to a specific cause. In 2017 the main cause continues to be to support the employment of a part time youth leader and various missionary activities.

The funds are then distributed as agreed with the membership to support other charities and work in different parts of the world and Manchester.

## Section F Other optional information

## Section G Declaration

The trustees declare that they have approved the trustees' report above.

Signed on behalf of the charity's trustees

Signature(s)	Tom Townson	
Full name(s)	Tom Townson	
Position (eg Secretary, Chair, etc)	Treasurer	
Date	31.10.2019	

**BRAMHALL BAPTIST CHURCH**  
Registered Charity Number: 1133038

**ACCOUNTS FOR THE YEAR ENDED**

**31st December 2018**

**BRAMHALL BAPTIST CHURCH**

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**ACCOUNTS FOR THE YEAR ENDED  
31st December 2018**

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**INDEPENDENT EXAMINERS' REPORT**  
TO THE TRUSTEES/CHURCH OFFICERS OF BRAMHALL BAPTIST CHURCH

I report on the accounts of the Church for the year ended 31st December 2018  
pages 4-12 attached.

**Respective responsibilities of trustees and examiner**

The trustees are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- \* examine the accounts under section 145 of the 2011 Act
- \* to follow the procedures laid down in the general Directions given by the Charity Commission under section 43(7)(b) of the Act; and
- \* to state whether particular matters have come to my attention.

**Basis of Independent Examiner's report**

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the church and a comparison of the accounts presented with these records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as Church Officers concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

**Independent Examiner's statement**

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements
  - \* to keep accounting records in accordance with section 386 of the Companies Act 2006; and
  - \* to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act and with the methods and principles of the statement of Recommended Practice: Accounting and Reporting by Charities have not been met; or
- (2) to which in my opinion attention should be drawn in order to enable a proper understanding of the accounts to be reached.

David R S Welch FCA, DChA  
Chartered Accountant & Independent Examiner  
3 Alvington Grove, Hazel Grove,  
Stockport, Cheshire SK7 5LS



18th March 2019

STATEMENT OF FINANCIAL ACTIVITIES FOR  
FOR YEAR ENDED 31ST DECEMBER 2018

			2018	2017
	Notes	Restricted Funds	General Funds	Total Funds
		£	£	£
<b>INCOMING RESOURCES FROM GENERATED FUNDS:</b>				
Voluntary income	2	9,698	103,945	113,643
Investment income - bank interest		0	21	19
<b>TOTAL INCOMING RESOURCES</b>		<b>9,698</b>	<b>103,966</b>	<b>113,664</b>
<b>RESOURCES EXPENDED:</b>				
<b>Charitable activities -</b>				
Salaries and employee related costs	3,8	0	54,850	52,537
Missionary giving and outreach	4	13,341	24,847	38,059
Premises and establishment	5	0	6,915	6,132
Utilities	6	0	2,109	2,344
Administration costs	7	0	3,727	3,883
Manse Purchase	8	0	0	0
Manse depreciation		7,759	0	7,760
Special Gift paid against manse loan		0	0	8,000
Pension Scheme Liability	11	0	48,800	48,800
		<b>21,100</b>	<b>141,248</b>	<b>118,715</b>
<b>Governance -</b>				
Independent examiner		<b>0</b>	<b>560</b>	<b>470</b>
<b>TOTAL RESOURCES EXPENDED</b>		<b>21,100</b>	<b>141,808</b>	<b>119,185</b>
		-3,643	-37,842	-41,485
Freehold Property Equalisation Account	10	-7,759	0	8,000
Funds brought forward 1st January 2018		159,761	33,419	190,622
<b>Funds carried forward 31st December 2018</b>		<b>148,359</b>	<b>-4,423</b>	<b>193,180</b>

BRAMHALL BAPTIST CHURCH  
BALANCE SHEET AT 31ST DECEMBER 2018

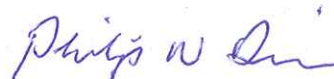
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	Notes	2018 £	2017 £
<b>FIXED ASSETS</b>			
Freehold Property at Net Book Value	8	<u>364,696</u>	<u>372,455</u>
<b>CURRENT ASSETS</b>			
<b>BANK AND CASH</b>			
Bank and cash	9	21,520	16,986
<b>OTHER CURRENT ASSETS</b>			
Payments made in advance		2,276	2,138
Gift aid claim received after year end		4,826	4,911
Sundry Debtors			26
<b>TOTAL CURRENT ASSETS</b>		<u>28,622</u>	<u>24,061</u>
<b>TOTAL ASSETS</b>		<u><u>393,318</u></u>	<u><u>396,516</u></u>
<b>LESS: LIABILITIES</b>			
Outstanding amounts:			
Income in Advance		7,847	937
Tax, National Insurance and Accrued Expenses		1,950	2,403
Manse Loan due for repayment within 12 months	8 & 10	9,200	9,212
Pension Scheme Liability (1 year of 10 year BU Loan)	11	<u>4,880</u>	<u>0</u>
		<u>23,877</u>	<u>12,552</u>
Net current assets		<u>4,745</u>	<u>11,509</u>
Net assets before long term liabilities		<u>369,441</u>	<u>383,964</u>
Creditors due more than 1 year		£	£
Manse Loan	8 & 10	181,585	190,784
Pension Scheme Liability (9 years plus interest)	11	<u>43,920</u>	<u>0</u>
		<u>225,505</u>	
<b>NET ASSETS</b>		<u><u>143,936</u></u>	<u><u>193,180</u></u>
<b>FUNDS;</b>			
<b>UNRESTRICTED:</b>			
General funds	9	-6,729	31,642
Missions account		<u>2,306</u>	<u>1,777</u>
		<u>-4,423</u>	<u>33,419</u>
<b>RESTRICTED:</b>			
Missions	4.2	663	3,306
Manse Fund			
Freehold Property Equalisation Account	10	<u>147,696</u>	<u>155,455</u>
Net		<u><u>143,936</u></u>	<u><u>193,180</u></u>

T Townson - Trustee and Treasurer



Rev P Dixon - Pastor



17th March 2019

NOTES TO THE ACCOUNTS FOR THE  
FOR YEAR ENDED 31ST DECEMBER 2018

1. ACCOUNTING POLICIES AND DEFINITIONS

- 1.1 The accounts have been prepared under the historical cost convention in accordance with applicable accounting standards and the Charities Act Statement of Recommended Practice.
- 1.2 GENERAL FUNDS represent unrestricted funds that are not subject to any restriction regarding their use and are available for application towards their use and are available for application towards general purposes.
- 1.3 RESTRICTED FUNDS have been restricted by the donor for a particular purpose.
- 1.4 INCOMING RESOURCES are recognised when received, or in the case of gift aid claims made, when such claims are made.
- 1.5 RESOURCES USED are recognised when costs have been incurred, or for designated or special gifts, in the same accounting period as the related gift is received.
- 1.6 CAPITAL EXPENDITURE. Expenditure on land and buildings, furniture, fixtures and fittings for church use is written off in full during the year in which the costs are incurred.  
The church building on Woodford Road, Bramhall was completed in 1993 at a total cost of £339,741. The current insured value of the property and contents is £1,343,680.  
  
The church purchased a manse in February 2016 at a cost of £387,974 including alterations and modernisation for use by the pastor, and this has been capitalised and is depreciated at 2% p.a. straight line method. The current insured value of the manse building is £1,000,000 on a blanket policy.
- 1.7 MISSIONS ACCOUNT. During the year £1,550 per month has been set aside in a separate bank account for Missions purposes.

2. VOLUNTARY INCOME

General fund voluntary income:	2018	2017
	£	£
Standing orders	50,583	52,256
Weekly offerings	33,330	26,995
Gift aid tax refunds receivable	16,667	16,588
Other income	3,365	1,464
	<u>103,945</u>	<u>97,303</u>
Restricted Fund Voluntary Income including associated Gift Aid		
	9,698	8,421
(a) Missionary Giving (Note 4.2)	0	8,000
(b) Manse Giving		
	<u>113,643</u>	<u>113,724</u>



NOTES TO THE ACCOUNTS FOR THE  
FOR YEAR ENDED 31ST DECEMBER 2018

## 3. SALARIES AND EMPLOYEE RELATED COSTS

	2018	2017
	£	£
Pastor's salary, pension & expenses	26,576	26,349
Youth worker salary & pension	12,497	12,360
National insurance	0	0
Baptist Ministers' Pension Fund	3,452	3,384
Manse rent & expenses	5,262	3,111
Manse Loan interest	6,988	7,033
Speakers expenses	75	300
	<u>54,850</u>	<u>52,537</u>

## 4. MISSIONARY GIVING AND OUTREACH

	2018	2017
	£	£
<b>General fund</b>		
Missionary giving (note 4.1)	18,598	18,886
Young Peoples Work (includes North Park)	3,843	3,865
Tea Break	173	162
Resources, outreach & study material	1,290	1,386
Little Lambs	943	0
	<u>24,847</u>	<u>24,299</u>
<b>Restricted fund (details note 4.2)</b>	13,341	13,760
	<u>38,188</u>	<u>38,059</u>

NOTES TO THE ACCOUNTS FOR THE  
FOR YEAR ENDED 31ST DECEMBER 2018

## 4.1. MISSIONARY GIVING AND OUTREACH cont..

	2018	2017
Missionary giving was as follows -	£	£
Mike and Jessica Shore	2,650	2,400
Ian & Wendy Davies	0	1,200
Wing & Yuko Lo	6,471	6,800
Message Trust	1,200	1,200
Millennium Youth Bar Trust	4,800	4,800
Christians in Schools	1,200	1,200
Baptist Union Home Mission	1,200	1,200
North Park Estate/Hotshots	527	286
Christian Solidarity Worldwide	100	0
Rowley Projects	350	0
Lutigheids	100	0
	<u>18,598</u>	<u>18,886</u>

## 4.2 RESTRICTED FUND MISSIONARY GIVING

	Brought forward 1.01.18	Gift aid added	Incoming resources	Less: Outgoing resources	Carried forward 31.12.18
	£	£	£	£	£
Gifts for restricted purposes -					
Wing Lo (OMF, Cambodia)	4,306	865	4,663	9,834	0
North Park Estate & Hotshots	0	0	1,000	1,000	0
Lutigheids	0	60	240	300	0
Tearfund	0	196	1,004	1,200	0
Holiday at Home	0	0	750	682	68
North Park Seniors	0	0	920	325	595
Totals - restricted Funds	<u>4,306</u>	<u>1,121</u>	<u>8,577</u>	<u>13,341</u>	<u>663</u>

NOTES TO THE ACCOUNTS FOR THE  
FOR YEAR ENDED 31ST DECEMBER 2018

	2018	2017
	£	£
<b>5. PREMISES AND ESTABLISHMENT</b>		
Caretaking and cleaning	1,341	1,346
Insurance	1,123	1,067
Repairs and fabric	4,351	2,505
Equipment and furnishings	100	1,214
	<u>6,915</u>	<u>6,132</u>
Repairs and fabric costs were as follows -		
Gardener	1,140	1,140
Fire precautions	271	248
Health and Safety	0	139
Boiler service & remote heating system	341	0
Electrical testing, repairs & lighting	93	97
Replacement Boiler upstairs	2,452	0
Chill Out Room	0	0
Tree maintenance	0	640
Sundry other	54	241
	<u>4,351</u>	<u>2,505</u>
<b>6. UTILITIES</b>	<b>2018</b>	<b>2017</b>
	£	£
Electricity, gas & water	1,816	1,808
Telephone	293	536
	<u>2,109</u>	<u>2,344</u>
<b>7. ADMINISTRATION COSTS</b>	<b>2018</b>	<b>2017</b>
	£	£
Printing, postage and stationery	430	316
Training, college, conference fees	1,161	1,487
Subscriptions & donations ( see below )	1,969	1,480
Away Day	0	290
Sundry costs	167	310
	<u>3,727</u>	<u>3,883</u>

## 7. ADMINISTRATION COSTS CONTINUED

	2018	2017
Subscript	£	£
CCLI Copyright	744	348
Baptist Union	248	252
North West Baptist Association	460	400
Churches Protection Society	120	90
Churches Together	50	50
Evangelical Alliance	100	100
Urban Saints	0	240
I Love Bramhall	247	0
	<u>1,969</u>	<u>1480</u>

## 8. MANSE

The manse was purchased in February 2016 at a cost of £370,015 and the property required renovating and updating totalling £17,959 bringing the total expenditure to £387,974, and this was funded as below. In accordance with standard accounting practice, the property is depreciated at 2% per annum.

To assist in the purchase of the manse the church took a loan with the Baptist Union Corporation in the amount of £225,000 repayable over 25 years at a variable interest rate.

The Baptist Union Corporation is the holding trustee of the manse and the church is the beneficial owner.

## 9. BANK AND CASH BALANCES

The church bank accounts distinguish between general fund, missions and toddlers group. The individual balances at 31st December 2018 are:-

		2018		2017
		£	£	£
General Fund	Bank	18,381		10515
	Cash in hand	<u>0</u>	18,381	<u>291</u> 10806
Toddlers Group	Bank	137		51
	Cash in hand	<u>33</u>	170	<u>46</u> 97
Missions	Bank		2,969	6083
		<u>21,520</u>		<u>16,986</u>

## 10. FREEHOLD PROPERTY EQUALISATION ACCOUNT

This represents the difference between the manse total cost and the loan which is held as a reserve against which the building depreciation is charged, thus eventually reducing it to nil over a period of years.



## 11. PENSION NOTE AND CONTINGENT LIABILITY

The church is an employer participating in a pension scheme known as the Baptist Pension Scheme ("the scheme"). The scheme is a separate legal entity which is administered by the Pension Trustee (Baptist Pension Trust Ltd).

From January 2012, pension provision is being made through the Defined Contribution (DC) Plan within the Scheme. In general, members pay 8% of their Pensionable Income and employers pay 6% of members' Pensionable Income into individual pension accounts, which are operated and managed on behalf of the Pension Trustee by Legal and General Life Assurance Society Ltd. In addition, the employer pays a further 4% of Pensionable Income (or 3% if the employer is in the segregated DC section) to cover Death in Service Benefits, administration costs, and an associated insurance policy which provides income protection for Scheme members in the event that they are unable to work due to long-term incapacity. This income protection policy has been insured by the Baptist Union of Great Britain with Aviva. Members of the Basic Section pay reduced contributions of 5% of Pensionable Income, and their employers pay a total of 5%.

Benefits in respect of service prior to 1 January 2012 are provided through the Defined Benefit (DB) Plan within the Scheme. The main benefits for pre-2012 service were a defined benefit pension of one eightieth of Final Minimum Pensionable Income for each year of Pensionable Service, together with additional pension in respect of premiums paid on Pensionable Income in excess of Minimum Pensionable Income. The Scheme previously known as the Baptist Ministers' Pension Fund, started in 1925, but was closed to future accrual of defined benefits on 31 December 2011.

A formal valuation of the Defined Benefit (DB) Plan was performed at 31 December 2016 by a professionally qualified Actuary using the projected unit method. The market value of the DB Plan assets at the valuation date was £219 million.

The valuation of the DB Plan revealed a deficit of assets compared with the value of liabilities of £93 million (equivalent to a past service funding of 70%). As a result of the valuation, in addition to the contributions to the DC Plan set out above, it was agreed that the standard rate of deficiency contribution from churches and other employers involved in the DB Plan will remain at previously agreed levels, increasing each year in line with increases in the Minimum Pensionable Income. The deficiency contributions are broadly based on 12% of Pensionable Income/Minimum Pensionable Income, reflecting each employer's contributions in March 2015. Some employers that were involved in the DB Plan for a short period pay lower contributions.

In addition, the Baptist Union of Great Britain is expected to make a number of one-off contributions totalling £33.5m by 31 December 2023, including a lump sum of £33m in 2018. The Recovery Plan envisages deficiency contributions continuing to 31 December 2028.

The key financial Assumptions underlying the valuation were as follows:

### Type of assumption

	% pa
RPI price inflation assumption	3.50
CPI price inflation assumption	2.75
Minimum Pensionable Income	3.50
Increases (CPI plus 1% pa)	
Assumed investment returns	
-Pre-retirement	3.50
-Post-retirement	2.25
Deferred pension increases	
-Pre April 2009	3.50
-Post April 2009	2.50
Pension increases	
-Main Scheme pension pre April 2006	2.70

The current deficiency contributions being made by the church by virtue of S Rowley's membership of the Baptist Pension Scheme were £3452 for 2018. These payments, made annually, do not reduce the churches liability to the scheme but do (currently) forestall the "calling in" of the debt by the Pension Scheme Trustee (see below).

The ongoing payments made by the church by virtue of P Dixons membership of the DC Plan within the scheme are £2875 for 2018

Consequent upon the departure of the Minister (S Rowley) from the scheme in 2009, the Church had a cessation event under Section 75 of the Pensions Act 1995. This makes the Church liable for the proportion of the overall deficit (assessed by reference to the cost of securing benefits by the purchase of annuities) applicable to its previous Minister who was a member of the Scheme. It is not possible to quantify this debt without an actuarial calculation. In order to avoid the cost of such a calculation and because the church may not be able to continue its charitable activities following payment of the employer debt which arises upon a cessation event, the Pension Scheme Trustee (after consulting the Pension Regulator) is not currently pursuing the employer debt, but is instead permitting the church to pay the ongoing deficiency contributions outlined above. However, the Pension Scheme Trustee has the right to quantify and seek payment of the debt at any time at its discretion. The current approximated value of the Church liability to the scheme by virtue of the membership of S Rowley is currently £48800 and this has been written off in the 2018 accounts and is now a liability in the Balance Sheet as at 31st December 2018. This was the amount when S Rowley left the scheme in 2009.

Due to the basis on which our debt to the BPS is calculated (governed by the Occupational Pension Schemes (Employer Debt) Regulations 2005, as amended) the church also has a contingent liability to the scheme ( a so called second cessation event) based on the employment (and re-entry into the DC part of the scheme) of the current minister, P Dixon. The value of that contingent liability was £23500 as at 31 December 2018, but this is in relation to the Service of Rev. S Rowley only. The Baptist Union have confirmed this amount is correctly calculated and is for the Service for S Rowley, so nothing is owing in relation to Rev. Philip N Dixon.

The next actuarial valuation of the DB Plan within the Scheme is due at 31 December 2019.

**BRAMHALL BAPTIST CHURCH**  
Registered Charity Number: 1133038

**ACCOUNTS FOR THE YEAR ENDED**  
**31st December 2018**

**BRAMHALL BAPTIST CHURCH**

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**ACCOUNTS FOR THE YEAR ENDED  
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- (1) which gives me reasonable cause to believe that in any material respect the requirements
  - \* to keep accounting records in accordance with section 386 of the Companies Act 2006; and
  - \* to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act and with the methods and principles of the statement of Recommended Practice: Accounting and Reporting by Charities have not been met; or
- (2) to which in my opinion attention should be drawn in order to enable a proper understanding of the accounts to be reached.

David R S Welch FCA, DChA  
Chartered Accountant & Independent Examiner  
3 Alvington Grove, Hazel Grove,  
Stockport, Cheshire SK7 5LS



18th March 2019

STATEMENT OF FINANCIAL ACTIVITIES FOR  
FOR YEAR ENDED 31ST DECEMBER 2018

			2018	2017
	Notes	Restricted Funds	General Funds	Total Funds
		£	£	£
<b>INCOMING RESOURCES FROM GENERATED FUNDS:</b>				
Voluntary income	2	9,698	103,945	113,643
Investment income - bank interest		0	21	21
<b>TOTAL INCOMING RESOURCES</b>		<b>9,698</b>	<b>103,966</b>	<b>113,664</b>
<b>RESOURCES EXPENDED:</b>				
<b>Charitable activities -</b>				
Salaries and employee related costs	3,8	0	54,850	54,850
Missionary giving and outreach	4	13,341	24,847	38,188
Premises and establishment	5	0	6,915	6,915
Utilities	6	0	2,109	2,109
Administration costs	7	0	3,727	3,727
Manse Purchase	8	0	0	0
Manse depreciation		7,759	0	7,759
Special Gift paid against manse loan		0	0	0
Pension Scheme Liability	11	0	48,800	48,800
		<b>21,100</b>	<b>141,248</b>	<b>162,348</b>
<b>Governance -</b>				
Independent examiner		<b>0</b>	<b>560</b>	<b>560</b>
<b>TOTAL RESOURCES EXPENDED</b>		<b>21,100</b>	<b>141,808</b>	<b>162,908</b>
		-3,643	-37,842	-41,485
Freehold Property Equalisation Account	10	-7,759	0	-7,759
Funds brought forward 1st January 2018		159,761	33,419	193,180
<b>Funds carried forward 31st December 2018</b>		<b>148,359</b>	<b>-4,423</b>	<b>143,936</b>

BRAMHALL BAPTIST CHURCH  
BALANCE SHEET AT 31ST DECEMBER 2018

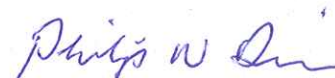
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	Notes	2018 £	2017 £
<b>FIXED ASSETS</b>			
Freehold Property at Net Book Value	8	<u>364,696</u>	<u>372,455</u>
<b>CURRENT ASSETS</b>			
<b>BANK AND CASH</b>			
Bank and cash	9	21,520	16,986
<b>OTHER CURRENT ASSETS</b>			
Payments made in advance		2,276	2,138
Gift aid claim received after year end		4,826	4,911
Sundry Debtors			26
<b>TOTAL CURRENT ASSETS</b>		<u>28,622</u>	<u>24,061</u>
<b>TOTAL ASSETS</b>		<u><u>393,318</u></u>	<u><u>396,516</u></u>
<b>LESS: LIABILITIES</b>			
Outstanding amounts:			
Income in Advance		7,847	937
Tax, National Insurance and Accrued Expenses		1,950	2,403
Manse Loan due for repayment within 12 months	8 & 10	9,200	9,212
Pension Scheme Liability (1 year of 10 year BU Loan)	11	<u>4,880</u>	<u>0</u>
		<u>23,877</u>	<u>12,552</u>
Net current assets		<u>4,745</u>	<u>11,509</u>
Net assets before long term liabilities		<u>369,441</u>	<u>383,964</u>
Creditors due more than 1 year		£	£
Manse Loan	8 & 10	181,585	190,784
Pension Scheme Liability (9 years plus interest)	11	<u>43,920</u>	<u>0</u>
		<u>225,505</u>	
<b>NET ASSETS</b>		<u><u>143,936</u></u>	<u><u>193,180</u></u>
<b>FUNDS;</b>			
<b>UNRESTRICTED:</b>			
General funds	9	-6,729	31,642
Missions account		<u>2,306</u>	<u>1,777</u>
		<u>-4,423</u>	<u>33,419</u>
<b>RESTRICTED:</b>			
Missions	4.2	663	3,306
Manse Fund			
Freehold Property Equalisation Account	10	<u>147,696</u>	<u>155,455</u>
Net		<u><u>143,936</u></u>	<u><u>193,180</u></u>

T Townson - Trustee and Treasurer



Rev P Dixon - Pastor



17th March 2019

NOTES TO THE ACCOUNTS FOR THE  
FOR YEAR ENDED 31ST DECEMBER 2018

1. ACCOUNTING POLICIES AND DEFINITIONS

- 1.1 The accounts have been prepared under the historical cost convention in accordance with applicable accounting standards and the Charities Act Statement of Recommended Practice.
- 1.2 GENERAL FUNDS represent unrestricted funds that are not subject to any restriction regarding their use and are available for application towards their use and are available for application towards general purposes.
- 1.3 RESTRICTED FUNDS have been restricted by the donor for a particular purpose.
- 1.4 INCOMING RESOURCES are recognised when received, or in the case of gift aid claims made, when such claims are made.
- 1.5 RESOURCES USED are recognised when costs have been incurred, or for designated or special gifts, in the same accounting period as the related gift is received.
- 1.6 CAPITAL EXPENDITURE. Expenditure on land and buildings, furniture, fixtures and fittings for church use is written off in full during the year in which the costs are incurred.  
The church building on Woodford Road, Bramhall was completed in 1993 at a total cost of £339,741. The current insured value of the property and contents is £1,343,680.  
  
The church purchased a manse in February 2016 at a cost of £387,974 including alterations and modernisation for use by the pastor, and this has been capitalised and is depreciated at 2% p.a. straight line method. The current insured value of the manse building is £1,000,000 on a blanket policy.
- 1.7 MISSIONS ACCOUNT. During the year £1,550 per month has been set aside in a separate bank account for Missions purposes.

2. VOLUNTARY INCOME

General fund voluntary income:	2018	2017
	£	£
Standing orders	50,583	52,256
Weekly offerings	33,330	26,995
Gift aid tax refunds receivable	16,667	16,588
Other income	3,365	1,464
	<u>103,945</u>	<u>97,303</u>
Restricted Fund Voluntary Income including associated Gift Aid		
	9,698	8,421
(a) Missionary Giving (Note 4.2)	0	8,000
(b) Manse Giving		
	<u>113,643</u>	<u>113,724</u>



NOTES TO THE ACCOUNTS FOR THE  
FOR YEAR ENDED 31ST DECEMBER 2018

## 3. SALARIES AND EMPLOYEE RELATED COSTS

	2018	2017
	£	£
Pastor's salary, pension & expenses	26,576	26,349
Youth worker salary & pension	12,497	12,360
National insurance	0	0
Baptist Ministers' Pension Fund	3,452	3,384
Manse rent & expenses	5,262	3,111
Manse Loan interest	6,988	7,033
Speakers expenses	75	300
	<u>54,850</u>	<u>52,537</u>

## 4. MISSIONARY GIVING AND OUTREACH

	2018	2017
	£	£
<b>General fund</b>		
Missionary giving (note 4.1)	18,598	18,886
Young Peoples Work (includes North Park)	3,843	3,865
Tea Break	173	162
Resources, outreach & study material	1,290	1,386
Little Lambs	943	0
	<u>24,847</u>	<u>24,299</u>
<b>Restricted fund (details note 4.2)</b>	13,341	13,760
	<u>38,188</u>	<u>38,059</u>

NOTES TO THE ACCOUNTS FOR THE  
FOR YEAR ENDED 31ST DECEMBER 2018

## 4.1. MISSIONARY GIVING AND OUTREACH cont..

	2018	2017
Missionary giving was as follows -	£	£
Mike and Jessica Shore	2,650	2,400
Ian & Wendy Davies	0	1,200
Wing & Yuko Lo	6,471	6,800
Message Trust	1,200	1,200
Millennium Youth Bar Trust	4,800	4,800
Christians in Schools	1,200	1,200
Baptist Union Home Mission	1,200	1,200
North Park Estate/Hotshots	527	286
Christian Solidarity Worldwide	100	0
Rowley Projects	350	0
Lutigheids	100	0
	<u>18,598</u>	<u>18,886</u>

## 4.2 RESTRICTED FUND MISSIONARY GIVING

	Brought forward 1.01.18	Gift aid added	Incoming resources	Less: Outgoing resources	Carried forward 31.12.18
	£	£	£	£	£
Gifts for restricted purposes -					
Wing Lo (OMF, Cambodia)	4,306	865	4,663	9,834	0
North Park Estate & Hotshots	0	0	1,000	1,000	0
Lutigheids	0	60	240	300	0
Tearfund	0	196	1,004	1,200	0
Holiday at Home	0	0	750	682	68
North Park Seniors	0	0	920	325	595
Totals - restricted Funds	<u>4,306</u>	<u>1,121</u>	<u>8,577</u>	<u>13,341</u>	<u>663</u>

NOTES TO THE ACCOUNTS FOR THE  
FOR YEAR ENDED 31ST DECEMBER 2018

	2018	2017
	£	£
<b>5. PREMISES AND ESTABLISHMENT</b>		
Caretaking and cleaning	1,341	1,346
Insurance	1,123	1,067
Repairs and fabric	4,351	2,505
Equipment and furnishings	100	1,214
	<u>6,915</u>	<u>6,132</u>
Repairs and fabric costs were as follows -		
Gardener	1,140	1,140
Fire precautions	271	248
Health and Safety	0	139
Boiler service & remote heating system	341	0
Electrical testing, repairs & lighting	93	97
Replacement Boiler upstairs	2,452	0
Chill Out Room	0	0
Tree maintenance	0	640
Sundry other	54	241
	<u>4,351</u>	<u>2,505</u>
<b>6. UTILITIES</b>	<b>2018</b>	<b>2017</b>
	£	£
Electricity, gas & water	1,816	1,808
Telephone	293	536
	<u>2,109</u>	<u>2,344</u>
<b>7. ADMINISTRATION COSTS</b>	<b>2018</b>	<b>2017</b>
	£	£
Printing, postage and stationery	430	316
Training, college, conference fees	1,161	1,487
Subscriptions & donations ( see below )	1,969	1,480
Away Day	0	290
Sundry costs	167	310
	<u>3,727</u>	<u>3,883</u>

## 7. ADMINISTRATION COSTS CONTINUED

	2018	2017
Subscript	£	£
CCLI Copyright	744	348
Baptist Union	248	252
North West Baptist Association	460	400
Churches Protection Society	120	90
Churches Together	50	50
Evangelical Alliance	100	100
Urban Saints	0	240
I Love Bramhall	247	0
	<u>1,969</u>	<u>1480</u>

## 8. MANSE

The manse was purchased in February 2016 at a cost of £370,015 and the property required renovating and updating totalling £17,959 bringing the total expenditure to £387,974, and this was funded as below. In accordance with standard accounting practice, the property is depreciated at 2% per annum.

To assist in the purchase of the manse the church took a loan with the Baptist Union Corporation in the amount of £225,000 repayable over 25 years at a variable interest rate.

The Baptist Union Corporation is the holding trustee of the manse and the church is the beneficial owner.

## 9. BANK AND CASH BALANCES

The church bank accounts distinguish between general fund, missions and toddlers group. The individual balances at 31st December 2018 are:-

		2018		2017
		£	£	£
General Fund	Bank	18,381		10515
	Cash in hand	0	18,381	291
Toddlers Group	Bank	137		51
	Cash in hand	33	170	46
Missions	Bank		2,969	
		<u>21,520</u>		<u>16,986</u>

## 10. FREEHOLD PROPERTY EQUALISATION ACCOUNT

This represents the difference between the manse total cost and the loan which is held as a reserve against which the building depreciation is charged, thus eventually reducing it to nil over a period of years.



## 11. PENSION NOTE AND CONTINGENT LIABILITY

The church is an employer participating in a pension scheme known as the Baptist Pension Scheme ("the scheme"). The scheme is a separate legal entity which is administered by the Pension Trustee (Baptist Pension Trust Ltd).

From January 2012, pension provision is being made through the Defined Contribution (DC) Plan within the Scheme. In general, members pay 8% of their Pensionable Income and employers pay 6% of members' Pensionable Income into individual pension accounts, which are operated and managed on behalf of the Pension Trustee by Legal and General Life Assurance Society Ltd. In addition, the employer pays a further 4% of Pensionable Income (or 3% if the employer is in the segregated DC section) to cover Death in Service Benefits, administration costs, and an associated insurance policy which provides income protection for Scheme members in the event that they are unable to work due to long-term incapacity. This income protection policy has been insured by the Baptist Union of Great Britain with Aviva. Members of the Basic Section pay reduced contributions of 5% of Pensionable Income, and their employers pay a total of 5%.

Benefits in respect of service prior to 1 January 2012 are provided through the Defined Benefit (DB) Plan within the Scheme. The main benefits for pre-2012 service were a defined benefit pension of one eightieth of Final Minimum Pensionable Income for each year of Pensionable Service, together with additional pension in respect of premiums paid on Pensionable Income in excess of Minimum Pensionable Income. The Scheme previously known as the Baptist Ministers' Pension Fund, started in 1925, but was closed to future accrual of defined benefits on 31 December 2011.

A formal valuation of the Defined Benefit (DB) Plan was performed at 31 December 2016 by a professionally qualified Actuary using the projected unit method. The market value of the DB Plan assets at the valuation date was £219 million.

The valuation of the DB Plan revealed a deficit of assets compared with the value of liabilities of £93 million (equivalent to a past service funding of 70%). As a result of the valuation, in addition to the contributions to the DC Plan set out above, it was agreed that the standard rate of deficiency contribution from churches and other employers involved in the DB Plan will remain at previously agreed levels, increasing each year in line with increases in the Minimum Pensionable Income. The deficiency contributions are broadly based on 12% of Pensionable Income/Minimum Pensionable Income, reflecting each employer's contributions in March 2015. Some employers that were involved in the DB Plan for a short period pay lower contributions.

In addition, the Baptist Union of Great Britain is expected to make a number of one-off contributions totalling £33.5m by 31 December 2023, including a lump sum of £33m in 2018. The Recovery Plan envisages deficiency contributions continuing to 31 December 2028.

The key financial Assumptions underlying the valuation were as follows:

### Type of assumption

	% pa
RPI price inflation assumption	3.50
CPI price inflation assumption	2.75
Minimum Pensionable Income	3.50
Increases (CPI plus 1% pa)	
Assumed investment returns	
-Pre-retirement	3.50
-Post-retirement	2.25
Deferred pension increases	
-Pre April 2009	3.50
-Post April 2009	2.50
Pension increases	
-Main Scheme pension pre April 2006	2.70

The current deficiency contributions being made by the church by virtue of S Rowley's membership of the Baptist Pension Scheme were £3452 for 2018. These payments, made annually, do not reduce the churches liability to the scheme but do (currently) forestall the "calling in" of the debt by the Pension Scheme Trustee (see below).

The ongoing payments made by the church by virtue of P Dixons membership of the DC Plan within the scheme are £2875 for 2018

Consequent upon the departure of the Minister (S Rowley) from the scheme in 2009, the Church had a cessation event under Section 75 of the Pensions Act 1995. This makes the Church liable for the proportion of the overall deficit (assessed by reference to the cost of securing benefits by the purchase of annuities) applicable to its previous Minister who was a member of the Scheme. It is not possible to quantify this debt without an actuarial calculation. In order to avoid the cost of such a calculation and because the church may not be able to continue its charitable activities following payment of the employer debt which arises upon a cessation event, the Pension Scheme Trustee (after consulting the Pension Regulator) is not currently pursuing the employer debt, but is instead permitting the church to pay the ongoing deficiency contributions outlined above. However, the Pension Scheme Trustee has the right to quantify and seek payment of the debt at any time at its discretion. The current approximated value of the Church liability to the scheme by virtue of the membership of S Rowley is currently £48800 and this has been written off in the 2018 accounts and is now a liability in the Balance Sheet as at 31st December 2018. This was the amount when S Rowley left the scheme in 2009.

Due to the basis on which our debt to the BPS is calculated (governed by the Occupational Pension Schemes (Employer Debt) Regulations 2005, as amended) the church also has a contingent liability to the scheme ( a so called second cessation event) based on the employment (and re-entry into the DC part of the scheme) of the current minister, P Dixon. The value of that contingent liability was £23500 as at 31 December 2018, but this is in relation to the Service of Rev. S Rowley only. The Baptist Union have confirmed this amount is correctly calculated and is for the Service for S Rowley, so nothing is owing in relation to Rev. Philip N Dixon.

The next actuarial valuation of the DB Plan within the Scheme is due at 31 December 2019.